



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	SB0390	<input checked="" type="checkbox"/>	Title:	Increase funding for Indian Education for All
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Primary Sponsor:	Juneau, Carol C	Status:	As Introduced
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|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund	\$4,327,390	\$4,286,770	\$4,451,662	\$4,607,612
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>(\$4,327,390)</u>	<u>(\$4,286,770)</u>	<u>(\$4,451,662)</u>	<u>(\$4,607,612)</u>

Description of fiscal impact: SB 390 sets the Indian Education for All payment to schools at \$50 per-ANB in each year of the 2009 biennium. For subsequent biennia, the bill requires the executive to apply the same inflationary adjustment to the Indian Education for All payment that is currently applied to the basic and per-ANB entitlements in calculating the present law base budget. The state general fund cost is approximately \$4.3 million annually in the 2009 biennium.

FISCAL ANALYSIS

Assumptions:

- SB 390 increases the Indian Education for All Payment, established in 20-9-306, MCA, from \$20.40 per-ANB to \$50 per-ANB with a minimum of \$1000 for each district.
- SB 390 applies the annual inflation-related adjustments to the Indian Education for All payment. This provision will be effective for the development of the budget for the 2011 biennium. The projected rate of inflation for FY 2010 is 2.68% and for FY 2011 is 2.28% based on the estimates from Global Insight and applying the formula described in 20-9-326, MCA.

3. Based upon these inflators, the Indian Education for All payment will be \$51.34 in FY 2010 and \$52.51 in FY 2011.
4. Under current law, the average number belonging in K-12 public schools will be as follows:

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
K-6 ANB	72,763	72,001	71,899	72,530	73,704
7-8 ANB	24,643	23,745	22,980	22,199	21,821
9-12 ANB	49,613	49,187	48,613	47,910	46,798
	147,019	144,933	143,492	142,639	142,323

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Distribution to Schools	\$4,327,390	\$4,286,770	\$4,451,662	\$4,607,612
<u>Funding of Expenditures:</u>				
General Fund (01)	\$4,327,390	\$4,286,770	\$4,451,662	\$4,607,612
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$4,327,390)	(\$4,286,770)	(\$4,451,662)	(\$4,607,612)

Effect on County or Other Local Revenues or Expenditures:

1. The Indian Education for All payment is 100% state funded. There is no local property tax impact.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date